

**CONFIDENTIAL**

21 July 1986

MEMORANDUM FOR: Director of Central Intelligence  
FROM: Dave Gries [redacted]  
SUBJECT: Breakfast for Senator Richard Lugar

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You are scheduled to host breakfast on Wednesday, 23 July at 8:00 a.m. in your dining room for Senator Richard Lugar and his Administrative Assistant, Charles (Chip) Andreae. As you know, Senator Lugar is Chairman of the Senate Foreign Relations Committee.

Also attending the breakfast are Bob Gates, [redacted] Dick Kerr, Dan Childs and myself. Suggested talking points and biographic information on Lugar and Andreae are attached.

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Since Senator Lugar has underscored through Chip Andreae his interest in an update on the Philippines, I suggest we focus on that topic. Bob Gates is prepared to draw on impressions gained during his recent trip as well as the latest finished intelligence.

Attachment

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### TALKING POINTS

Senator Lugar remains keenly interested in assessments of developments in the Philippines, and as noted, will want to hear Bob Gates' impressions. He is planning in mid-August to visit the Philippines, New Zealand, Australia, Indonesia, Korea, Taiwan and Japan.

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The foremost political subject on Senator Lugar's mind will be South Africa. His Foreign Relations Committee will be holding hearings on South Africa on 22, 23 and 24 July. The key issue is whether or not to impose sanctions. After the President's 22 July speech, Secretary Shultz will testify on Administration's policy on the 23rd. Lugar is interested in trends in South Africa, the ANC, and the political and economic consequences of sanctions. Senator Denton, incidentally--and presumably other opponents of sanctions--does not believe the Administration is doing enough to garner anti-sanction votes.

Senator Lugar is also interested in Nicaragua and the contras and would appreciate your assessment of where things stand on the ground. It would be useful to get his views on the state of play in the Senate on contra aid. As we understand it, Senator Dole is considering bringing the military construction bill (the vehicle for contra aid) to the floor on 28 July, but the decision will be influenced by the threat of a filibuster from Senator Kerry, possibly Cranston, and others. Tradeoffs are in the works. Senator Lugar, for instance, will tell Senator Kerry that if he filibusters, his request for committee hearings on the contras wouldn't be considered.

Biographic Highlights

Name (including party/state): Richard G. Lugar (R., IN)

District: \_\_\_\_\_

First elected: 1976

Winning percentage in last election: 54%

Up for re-election: 1988

Past Service on intelligence committee: Yes \_\_\_\_\_ No xx

Current service on intelligence committee: Yes \_\_\_\_\_ No xx

Term on intelligence committee expires: N/A

Current committee assignments:

Senate Foreign Relations

Agriculture, Nutrition and Forestry

Key votes:

Bar funding for MX missile (1983) - N

Cut military aid to El Salvador (1984) - N

Retain funds for "Star Wars" defense research (1984) - Y

Authorize procurement of 21 MX missiles (1985) - Y

Sponsor of legislation affecting CIA:

Visits to CIA facilities/stations:

Other: \_\_\_\_\_

*Indiana - Senior Senator*

## Richard G. Lugar (R)

**Of Indianapolis — Elected 1976**

**Born:** April, 4, 1932, Indianapolis, Ind.

**Education:** Denison U., B.A. 1954; Oxford U., B.A., M.A. 1956.

**Military Career:** Navy, 1957-60.

**Occupation:** Agricultural industries executive.

**Family:** Wife, Charlene Smeltzer; four children.

**Religion:** Methodist.

**Political Career:** Indianapolis School Board, 1964-67; mayor of Indianapolis, 1968-75; Republican nominee for U.S. Senate, 1974.

**Capitol Office:** 306 Hart Bldg. 20510; 224-4814.



In Washington: Lugar was an early favorite for majority leader in the 99th Congress, but he never really escaped from the shadow of the man who had helped him make his rapid rise through Republican ranks. When GOP senators looked at Lugar, they saw Howard Baker — and however much they had liked the Tennessean, they seemed to feel that a reprise of his low-key leadership style was not what they or the Senate as a whole needed.

In many ways, Lugar was the logical candidate for the job. Throughout his career, he has had a knack for building bridges among his party colleagues. Without really violating any rules of consistency, he somehow manages to be on everybody's side at least part of the time. Unlike any of his opponents, he could begin his campaign with the assumption that scarcely a vote on either side of the spectrum was closed to him.

Lugar rarely makes anybody angry. He is not a man of passion, and he carefully avoids turning his opponents into enemies. His reserved and thoughtful style is not exciting, but he almost always knows what he is talking about, and he is nearly always willing to listen to an opposing point of view, even if he has no intention of going along with it.

Moreover, Lugar could point to a record of success in another key party post. As chairman of the Republican Senatorial Campaign Committee in the two years preceding the 1984 election, he raised record amounts of money for GOP candidates and held the party's losses to only two Senate seats — a better showing than most non-partisan observers expected.

But on the other side were concerns that Lugar was not the man to stem the parliamentary chaos that seemed to engulf the Senate under Baker's easygoing stewardship. Even if Lugar's colleagues agreed with him that "to ask

people to follow in lock step is not going to work," they questioned whether he would exercise the kind of discipline many saw as needed to restore order in the chamber. As Majority Leader, Lugar seemed to promise a great deal of carrot and very little stick — a message that seemed to worry some colleagues frustrated by endless delays over trivial issues. Lugar finished third among five candidates. He dropped out after the third ballot, on which he drew 18 votes to 20 for Robert Dole of Kansas and 20 for Ted Stevens of Alaska.

Lugar points to another explanation for his loss to eventual winner Dole, one that involves a complicated struggle for control of the Foreign Relations Committee. Following the electoral defeat of committee chairman Charles H. Percy of Illinois, Lugar was in line to take over the panel — a position he could not hold if elected Majority Leader. Some senators may have been reluctant to support him as leader for fear that the other two most senior Republicans on the Foreign Relations panel, conservative Jesse Helms of North Carolina and moderate Charles McC. Mathias Jr. of Maryland, would wage a divisive battle for the chairmanship if Lugar did not take it.

In any case, Lugar's defeat gives him a chance to try out his consensus-seeking approach as Foreign Relations chairman. He has vowed to run an "activist" committee, but he faces a difficult task in trying to revive some of the power and prestige that the panel has lost in recent years.

Lugar's focus on Foreign Relations is a marked change from his earlier work in the Senate, when he was largely preoccupied with domestic issues. A member of the panel since 1979, he rarely played a leading role in committee debates before 1985. His one significant

*Richard G. Lugar, R-Ind.*

foreign policy initiative in the 98th Congress was his successful push to repeal an 1867 law barring the United States from sending an official ambassador to the Vatican.

Unlike Helms on the right or Mathias on the left, Lugar can usually be counted on to provide unwavering support for Reagan administration foreign policy. The senator has nearly always been on the Reagan side on major issues — from opposition to the SALT II and Panama Canal treaties when Jimmy Carter was president, to support for Reagan's stance on arms control talks and aid to anti-Communist guerrillas in Nicaragua.

When he took over the committee, Lugar said that one of his main goals would be to restore some sense of unity to a panel that has been deeply split in recent years. Early in the 99th Congress, he called a series of hearings to examine the overall U.S. foreign policy stance, in hopes of showing that there was "a greater degree of consensus behind the strategy pursued by successive administrations in foreign policy than meets the eye."

Lugar had some success in achieving that goal in the spring of 1985. Working with unwonted speed and harmony, the panel reported a foreign aid authorization measure, raising hopes that Congress might be able to enact a foreign aid bill into law for the first time since 1981.

Still, committee action on foreign aid showed how Lugar's search for consensus sometimes papers over real differences. The panel adopted an amendment, sponsored by ranking member Claiborne Pell of Rhode Island, to restrict U.S. aid to the Nicaraguan rebels. Lugar backed the amendment, apparently without reading it in detail, and discovered the next day that he had agreed to bar the United States from arranging with other countries to channel aid to the rebels — a much tougher limit than he was willing to accept. The dispute was left to be resolved on the Senate floor.

Lugar's defeat for majority leader was his first misstep in an otherwise steady progression to Senate power. A "Howard Baker man" from the beginning, Lugar reaped the reward of increasing legislative responsibility, particularly on touchy issues that Baker preferred to handle from the background.

Lugar's first major job came in 1978, when he and Utah Republican Orrin G. Hatch led a successful filibuster against a package of labor law changes strongly pushed by the AFL-CIO. In doing so, Lugar showed a knack for organization that was crucial to the defeat of the legislation.

The next year, Lugar managed Baker's campaign for the Republican presidential nomination — not a great claim to fame, considering the outcome, but a symbol of their alliance.

Lugar was willing to fight for some things even when they forced a split with Baker. In 1982 he pushed an emergency program of subsidies for home-mortgage interest rates aimed at aiding the recession-hit housing industry. That was a real problem for Baker because it was attached to an urgent funding bill, and its inclusion seemed certain to provoke a Reagan veto. Despite broad support in the Senate, it also was the target of a filibuster from Colorado Republican William L. Armstrong.

Although he was not willing to drop his troublesome amendment, Lugar did make some concessions to the Senate's traditional way of doing things. The parliamentary efforts to resolve the dispute were complex, but the situation boiled down to this: Lugar had a way to end Armstrong's filibuster easily, but at the price of setting a bad precedent for future Senate procedures. At Baker's urging, Lugar finally agreed to pursue a more difficult tactic for ending debate on the amendment, which cleared Congress but died when Reagan vetoed the legislation.

Throughout his career, Lugar has insisted on following rules and observing limits in his approach to Senate business. A few weeks after his successful labor law filibuster, he warned conservatives about overusing the tactic. "You can't keep crying wolf," he said. "There's no point in babbling on until you're blue in the face or until people walk out on you."

Lugar's housing subsidy plan also illustrated his sense of political timing — it sought to create tens of thousands of construction jobs while Lugar was running for re-election in a state with very high unemployment. It recalled the role he played in 1979 on the Chrysler bailout, which may not have set much of an example for free enterprise but saved a company that employed thousands of his constituents: Only Michigan had more Chrysler employees than Indiana. Lugar was responsible for a provision of the bailout bill requiring Chrysler's unions to make a pay concession to help return the company to solvency.

Lugar's campaign to provide federal aid to New York City in 1978 had fewer political benefits in Indiana, but it did tie in with his personal experience as mayor of Indianapolis. He helped work out a compromise on the controversial aid bill, he said, because he "understood the problems of New York City finance."

*Indiana - Senior Senator*

In part because of his mayoral experience, Lugar considers himself one of the Senate's urban experts. As chairman of the Banking Committee's Subcommittee on Housing and Urban Affairs during the 97th Congress, he devoted significant amounts of energy to urban transportation, focusing his solutions on the problems of moderate-sized cities like Indianapolis. He has fought against changing the federal mass transit aid formula in ways that would favor larger cities. In 1982, however, he worked out a mass transit funding compromise with New York Republican Alfonse M. D'Amato that favored New York City.

Lugar's tenure as Housing Subcommittee Chairman began on a sour note; he almost resigned the post before he began. Full Banking Committee Chairman Jake Garn opposed Lugar's choice for subcommittee staff director, and Lugar refused to serve without him. It took five days of negotiation to reach a compromise.

Lugar had to give up his seat on Banking in 1983; it was his third major assignment, and Senate rules allow only two such assignments if another senator wants to claim the third one.

Lugar has spent his entire Senate career on the Agriculture Committee, where his positions are influenced both by his free-market philosophy and the interests of Indiana's farm economy.

In early 1981, Lugar was one of the few members of the Agriculture Committee from either party who seemed as enthusiastic as Reagan about cutting farm programs. When the committee, after endorsing the Reagan proposals in general terms on the floor, began trying to water them down, Lugar all but accused them of hypocrisy. He vowed to offer the Reagan spending cuts intact later if the committee insisted on ignoring them. Then the panel went back and agreed on a series of cuts closer to what Reagan and Lugar were demanding. Two years later, Lugar strongly backed the administration's call for a legislative freeze on crop target prices.

On food stamps, the Agriculture Committee wrote a bill designed to save an estimated \$1.5 billion during fiscal 1982. But it rejected efforts by Lugar to go further by restoring the food stamp purchase requirement that was eliminated by the Carter administration in 1977. When the full Senate also refused to do that, Lugar cast one of the dissenting votes against the bill as it passed 77-17.

He led the fight against banning nitrites used to preserve bacon and other pork products — a position that meshed with his antipathy to government regulation and his status as a reliable friend of Indiana's pork producers.

At the same time, Lugar fought hard against a water reclamation bill that he said provided subsidies to irrigation of big farms in the West. Cynics pointed out that that was an easy position for Lugar to take — Indiana's huge grain production is not based on such irrigation.

Lugar also backed legislation to guarantee that the United States would honor its export contracts regardless of foreign policy change short of war — thus blocking future embargoes such as the ban on grain sales to the Soviet Union, so disliked by Indiana farmers.

At Home: Lugar will never win any award as a campaigner — he meets crowds woodenly and his style borders on lecturing — but he has always managed to impress the Indiana electorate as a man of substance.

Even in 1974, running for the Senate in a Watergate-dominated year with a reputation as "Richard Nixon's favorite mayor," he came within a respectable 75,000 votes against Democrat Birch Bayh. Two years later, against a much weaker Democrat, Sen. Vance Hartke, he won handily. In his 1982 re-election bid, Lugar's personal popularity — and massive campaign treasury — put him out of reach of his Democratic challenger, Rep. Floyd Fithian.

If Lugar's record as mayor of Indianapolis was no help to him in 1974, it still stands as the basis of his political career. His conservative, efficiency-minded administration won him favorable notices all over Indiana, and he attracted national attention by defeating John V. Lindsay of New York City for vice president of the National League of Cities in 1970.

A Rhodes scholar, Lugar served in the Navy as a briefing officer at the Pentagon before returning home to run the family tool business. He won his first election in 1964, to the Indianapolis School Board.

Three years later, he saw an opportunity to take over the mayor's office. The Democrats were divided, and with the help of powerful Marion County GOP Chairman Keith Bulen, he dislodged incumbent Democrat John Barton.

Lugar's foremost accomplishment as Indianapolis mayor was creation of Uni-Gov — the consolidation of the city and its suburbs. He lobbied for the plan successfully before the state Legislature.

Lugar's election over Lindsay was national news because he won it in an electorate of big-city mayors, most of whom were Democrats. He was a spokesman for the policies of the Nixon administration, and from that time on the president began to take an interest in him.

He came to regret those ties in 1974, when

*Richard G. Lugar, R-Ind.*

he was saddled with the Nixon connection. In an attempt to deal with it, he declared that the Oval Office tape transcripts "revealed a moral tragedy" in the White House. But this alienated segments of the Republican right in Indiana and made his campaign against Bayh even more difficult.

Still, he had come close enough to be the logical contender in 1976 against Hartke. The incumbent had nearly been beaten six years earlier and was severely damaged by a primary challenger who charged him with foreign junketing and slavish loyalty to the communications industry. Lugar coasted to a comfortable victory.

Working to ensure the same result in 1982, Lugar began preparing two years in advance. By the time the election drew near, he had organizations in every county. A sea of volunteers manning phone banks reached out for voters across the state.

By contrast, Democrat Fithian got off to a slow start. After his old 2nd District was dismembered in redistricting, Fithian initially announced plans to run for Indiana secretary of

state, then switched to the Senate contest — angering other Democrats already in the race and prompting some observers to brand him "Flip-Flop Floyd."

Seeking to make up lost ground, Fithian attacked Lugar's record on Social Security, charging that the incumbent voted 16 times to reduce minimum benefits. He tied Lugar to Reagan policies Fithian claimed were responsible for Indiana's economic woes. Lugar acknowledged the troubled economic climate — billing himself as a "good man for tough times" — but put the blame on previous Democratic administrations.

The incumbent did not go to great lengths to identify himself with the White House, however. He criticized the president for vetoing the supplemental appropriation that included his emergency housing legislation; his campaign literature did not mention his GOP affiliation.

Fithian did manage to shore up support in predominantly Democratic southern Indiana, taking 14 counties in this region. In most areas, Lugar was a comfortable winner, and he finished with 54 percent of the vote statewide.

### Committees

Foreign Relations (Chairman)  
East Asian and Pacific Affairs; Near Eastern and South Asian Affairs

Agriculture, Nutrition and Forestry (3rd of 9 Republicans)  
Agricultural Research, Conservation, Forestry and General Legislation (chairman); Foreign Agricultural Policy, Nutrition

### Elections

#### 1982 General

Richard G. Lugar (R) 978,301 (54%)  
Floyd Fithian (D) 828,400 (46%)

Previous Winning Percentage: 1976 (59%)

### Campaign Finance

	Receipts	Receipts from PACs	Expenditures
1982			
Lugar (R)	\$3,001,570	\$712,639 (24%)	\$2,973,791
Fithian (D)	\$886,799	\$272,577 (31%)	\$870,023

### Voting Studies

Year	Presidential Support		Party Unity		Conservative Coalition	
	S	O	S	O	S	O
1984	92	8	94	6	87	13
1983	95	5	92	8	95	5
1982	83	15	85	14	84	16

1981	90	9	93	7	90	10
1980	44	53	80	12	85	10
1979	43	57	90	10	90	10
1978	35	64	85	14	80	20
1977	48	51	91	8	95	4

S = Support

O = Opposition

### Key Votes

Overturn Supreme Court decision legalizing abortion (1983)	Y
Allow chemical weapons production (1983)	Y
Create Martin Luther King Jr. holiday (1983)	Y
Bar funding for MX missile (1983)	N
Permit school prayer (1984)	Y
Cut military aid to El Salvador (1984)	N
Keep tax indexing (1984)	N
Retain funds for "Star Wars" defense research (1984)	Y
Authorize procurement of 21 MX missiles (1985)	Y

### Interest Group Ratings

Year	ADA	ACA	AFL-CIO	CCUS-1	CCUS-2
1984	10	79	18	79	
1983	15	75	12	68	
1982	15	63	28	70	
1981	5	76	0	94	
1980	17	83	11	86	
1979	11	89	0	100	100
1978	10	92	11	89	
1977	10	81	10	94	

ANDREAE, Charles N., III, admin. asst. to Sen. Richard G. Lugar, IN. Home, 6120 Woodmont Rd., Alexandria, VA 22307. Born Sept. 26, 1955 in Baltimore, MD to Charles Norman, Jr. and Jean Grahm (Gowdy) Andreae. Married May 30, 1982 to Jane Durkin. Child, Charles Norman, IV. Denison Univ., 1973-77, B.A., history fellow; Georgetown Univ., 1978-82, M.A.; Alpha Tau Omega. 1977-78, staff asst., 1978-80, legis. asst. and 1980-82, exec. asst. to Sen. Richard Lugar, IN; 1982-85, prof. staff, Senate Select Committee on Intelligence; 1985—, current position. Member: Christ Church of Alexandria, VA. Hobbies: tennis, squash, cross-country skiing.



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